

January 12, 2021

# COVID-19 AUTO MARKET UPDATE

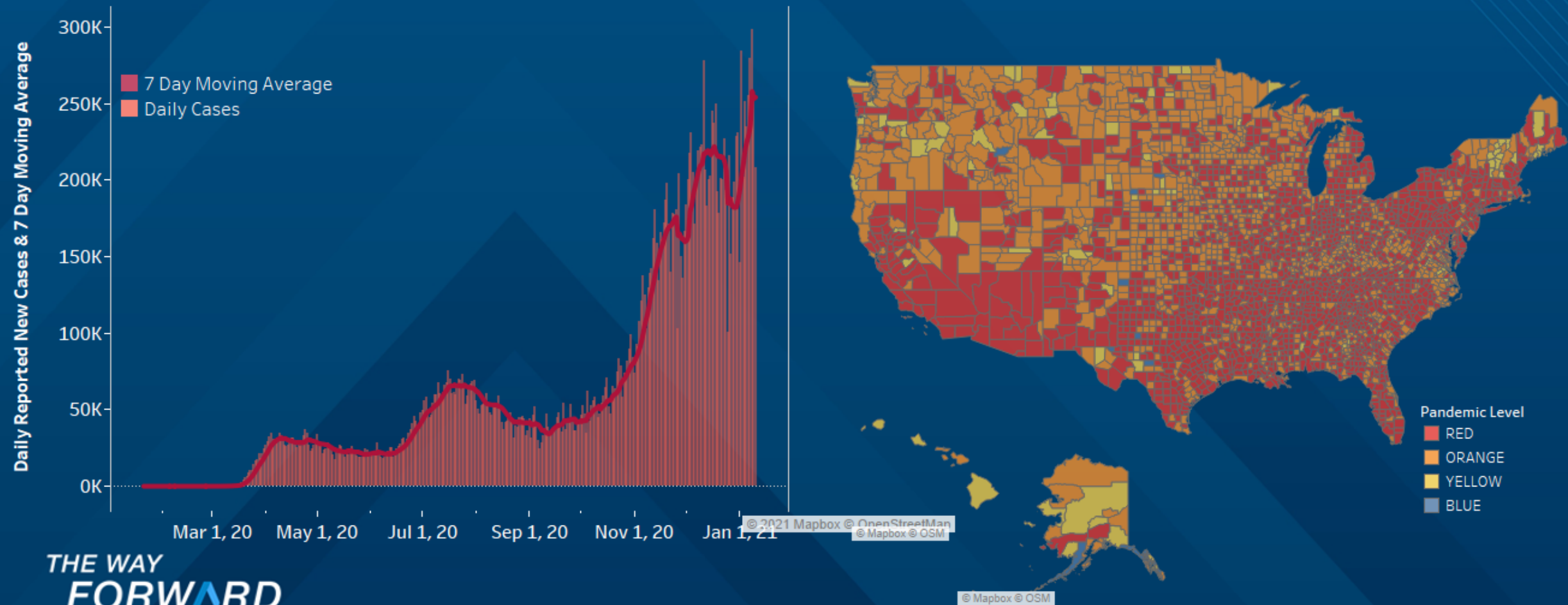
*THE WAY  
FORWARD*

*Driven by* COX AUTOMOTIVE

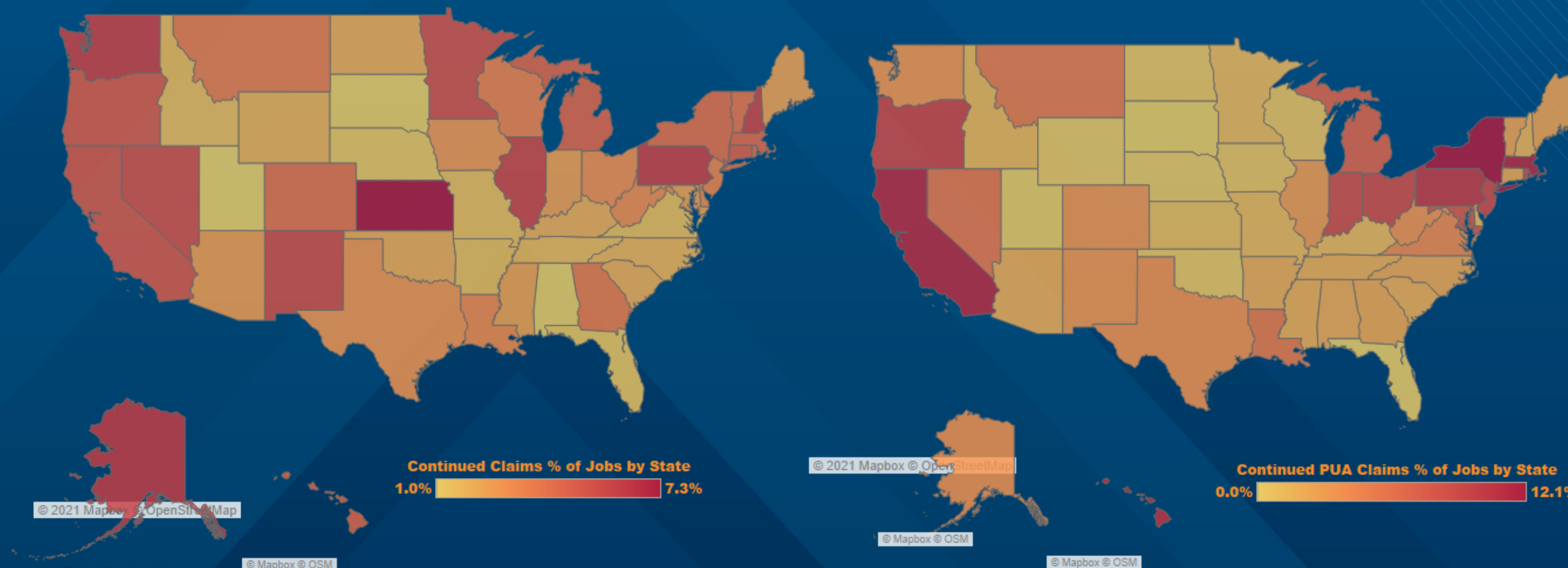
Jonathan Smoke

Chief Economist, Cox Automotive

# COVID-19 LOCAL IMPACT ASSESSMENT



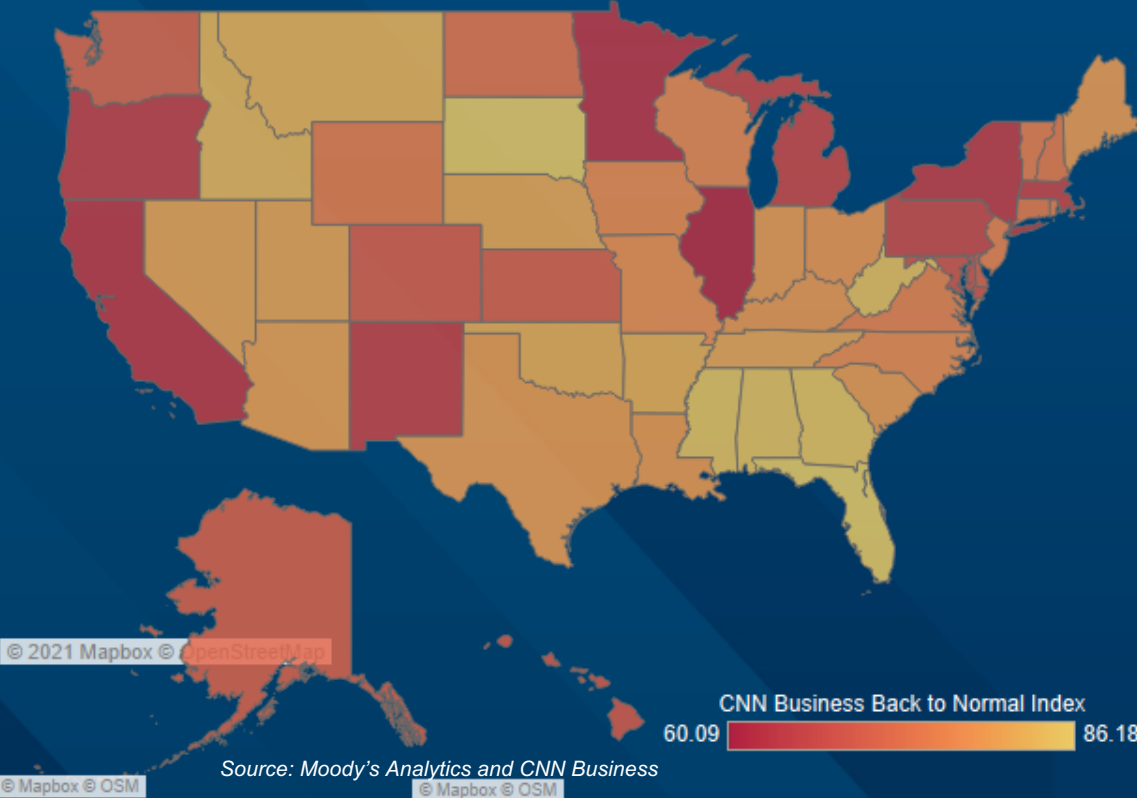
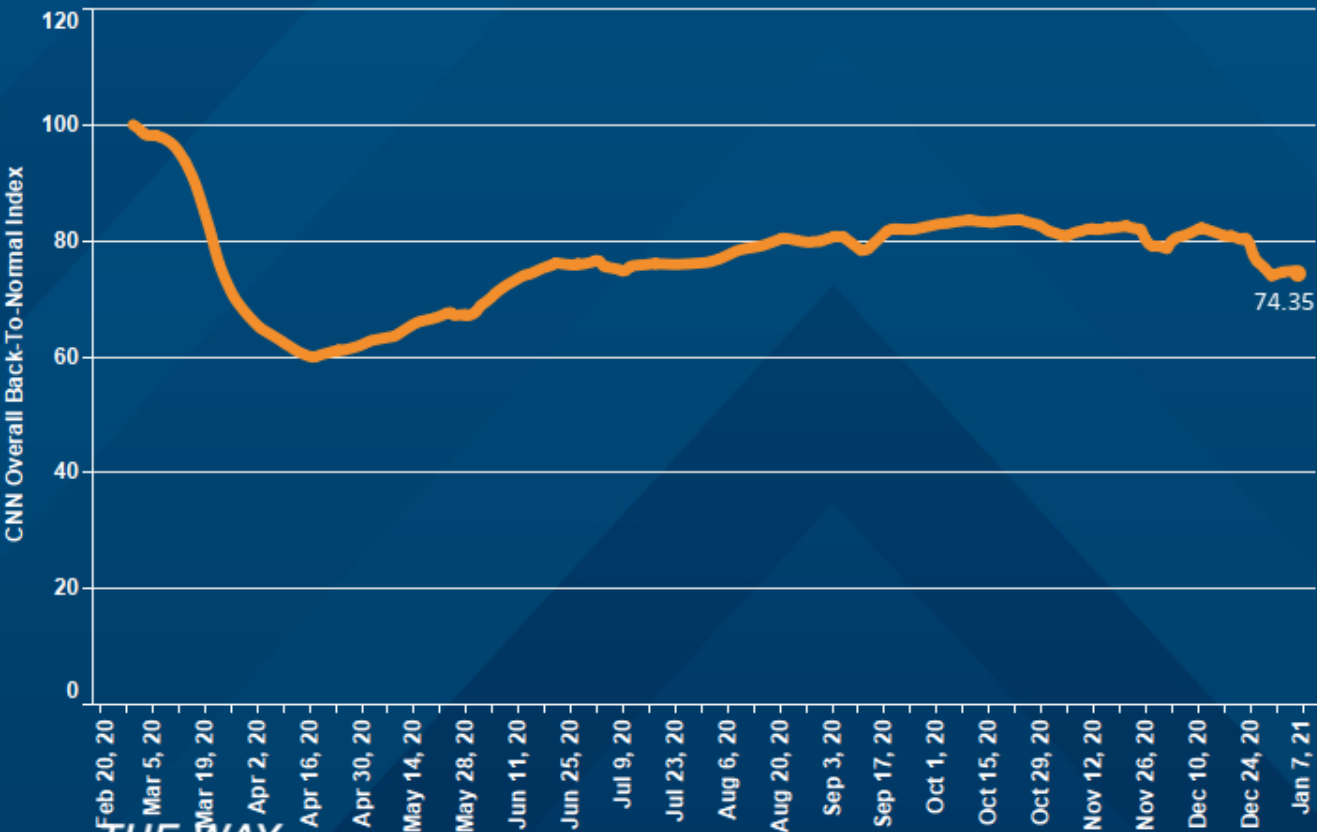
# CONTINUING CLAIMS AT 5.1 MILLION NATIONALLY



# BUSINESS RECOVERY ESTIMATES UP LAST WEEK

Moody's-CNN Business Back-To-Normal Index (February 29 = 100)

Data as of January 6, 2021



# CONSUMER SENTIMENT WAS UNCHANGED

Morning Consult's Index of Consumer Sentiment on Monday was down 22.8% since February 29

ICS Value (7-Day Average)



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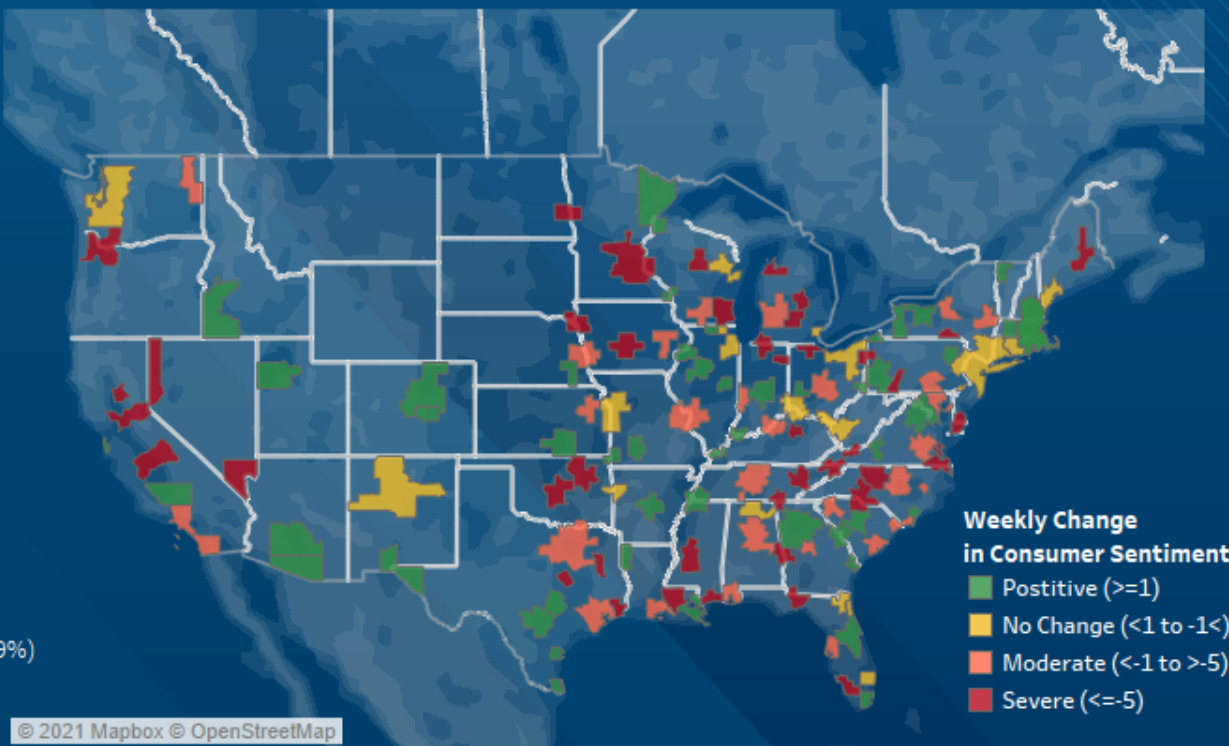
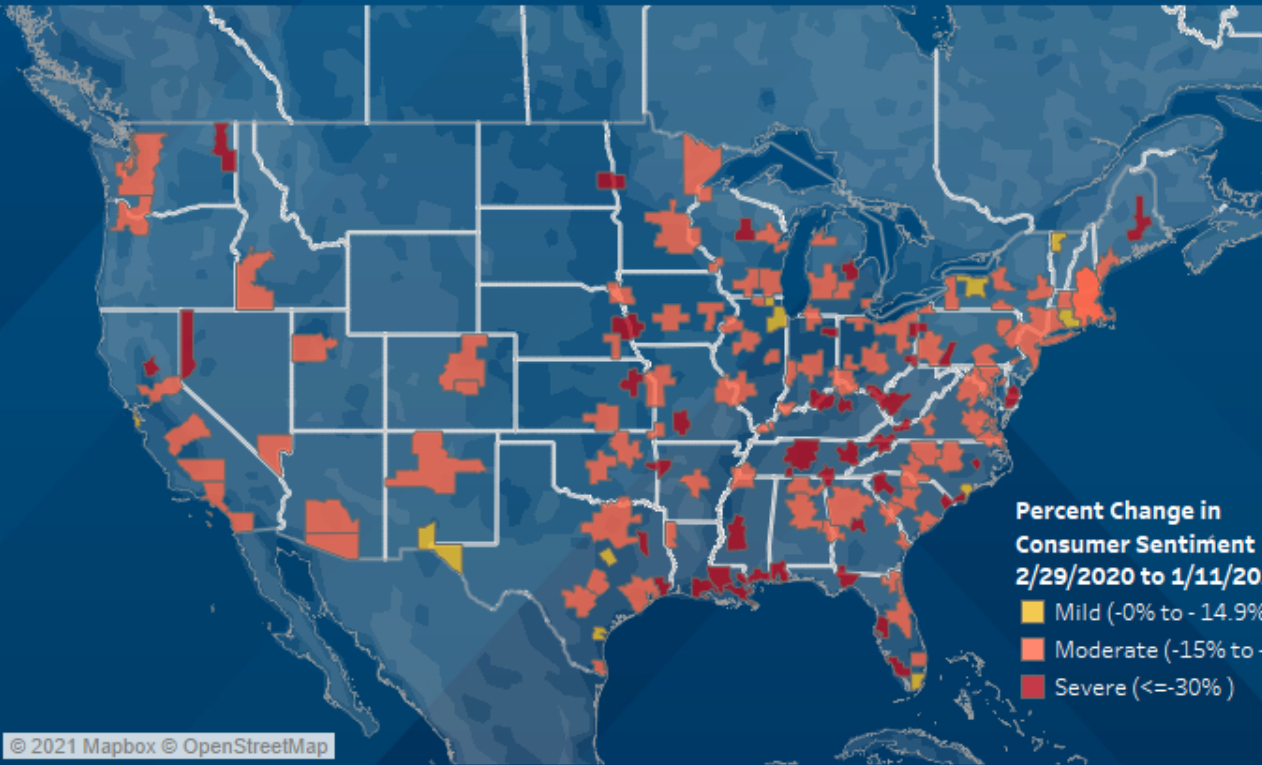
Source: Morning Consult



# CONSUMER SENTIMENT DECLINES IN MORE MARKETS

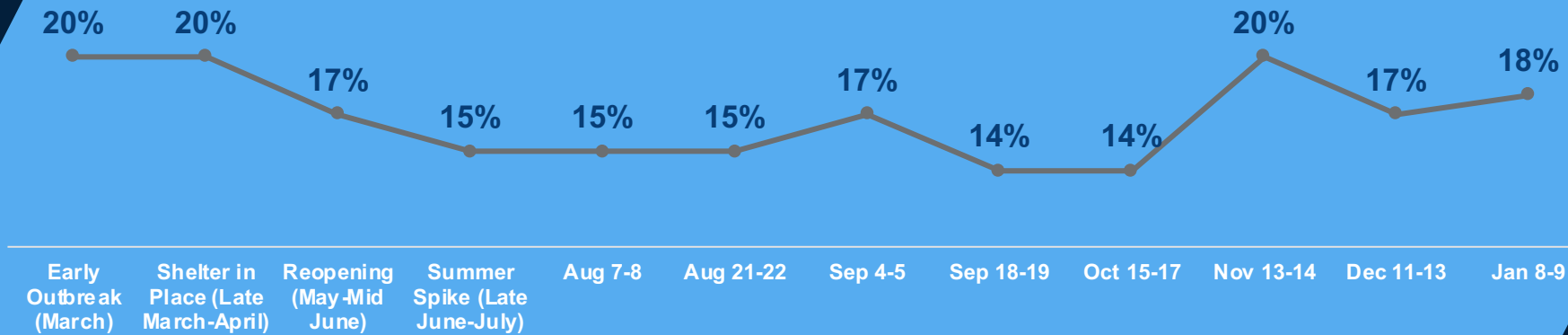
Since February 29<sup>th</sup>

Since January 4<sup>th</sup>



# THE NUMBER OF IN-MARKET SHOPPERS INCREASED IN JANUARY

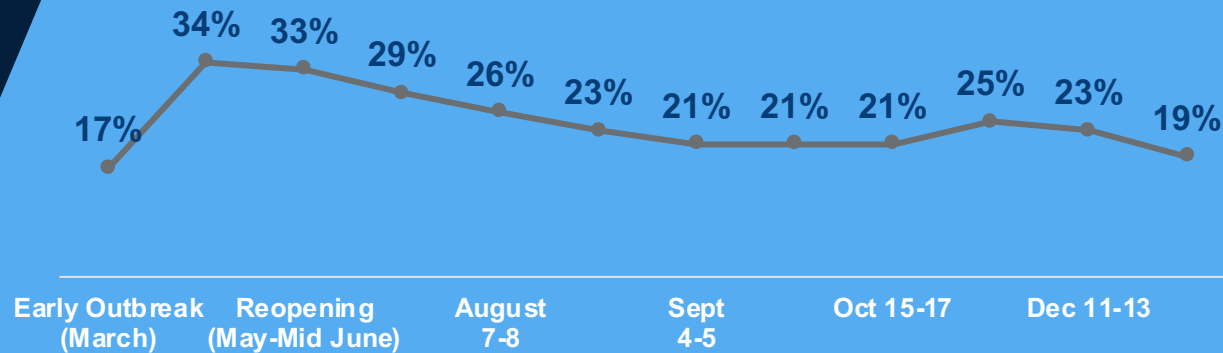
## % OF CONSUMERS IN-MARKET TO PURCHASE A VEHICLE WITHIN THE NEXT 6 MONTHS



Q4. Now as of today, when do you think you will be in the market to purchase or lease a vehicle?

# PURCHASE DELAY CONTINUES DECLINE IN JANUARY

## Delaying Vehicle Purchase/Lease\*



## Top reasons for delaying purchase (top 2)\*

Concerned about cost/financial situation	35%
Waiting to see if federal government will provide a 2nd stimulus check	35%
Concern about having contact with staff/other people	32%
Waiting to see if I can get a better deal or special incentive	22%
Prefer to stay home/social distancing	19%
Mandatory quarantine/stay-at-home order in place	18%

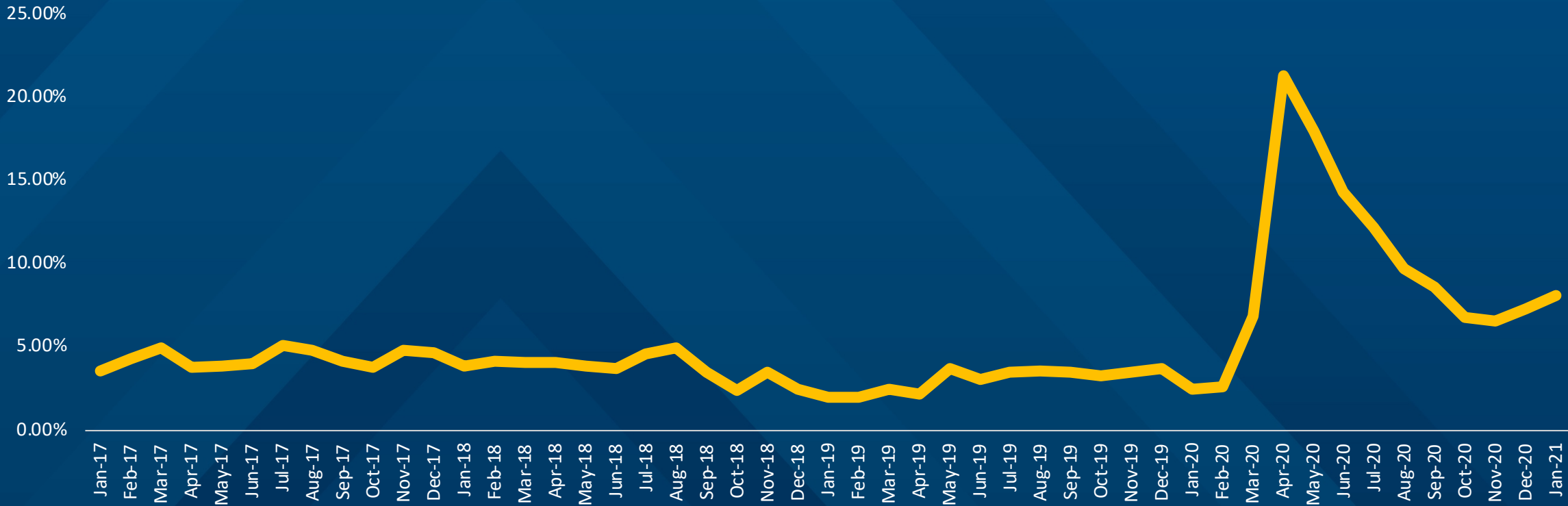
Q10. Have you done, or do you think you will do any of the following because of the coronavirus? \*Note: Added "have done" in Wave 4  
Q17a3. You said you may delay purchasing/leasing a vehicle due to coronavirus. What are the main reasons? Please select up to 2 of the main reasons. (Question added April 17)

\*Among 6-month auto intenders



# ZERO PERCENT FINANCING UP TO START THE YEAR

0% APR Finance Share

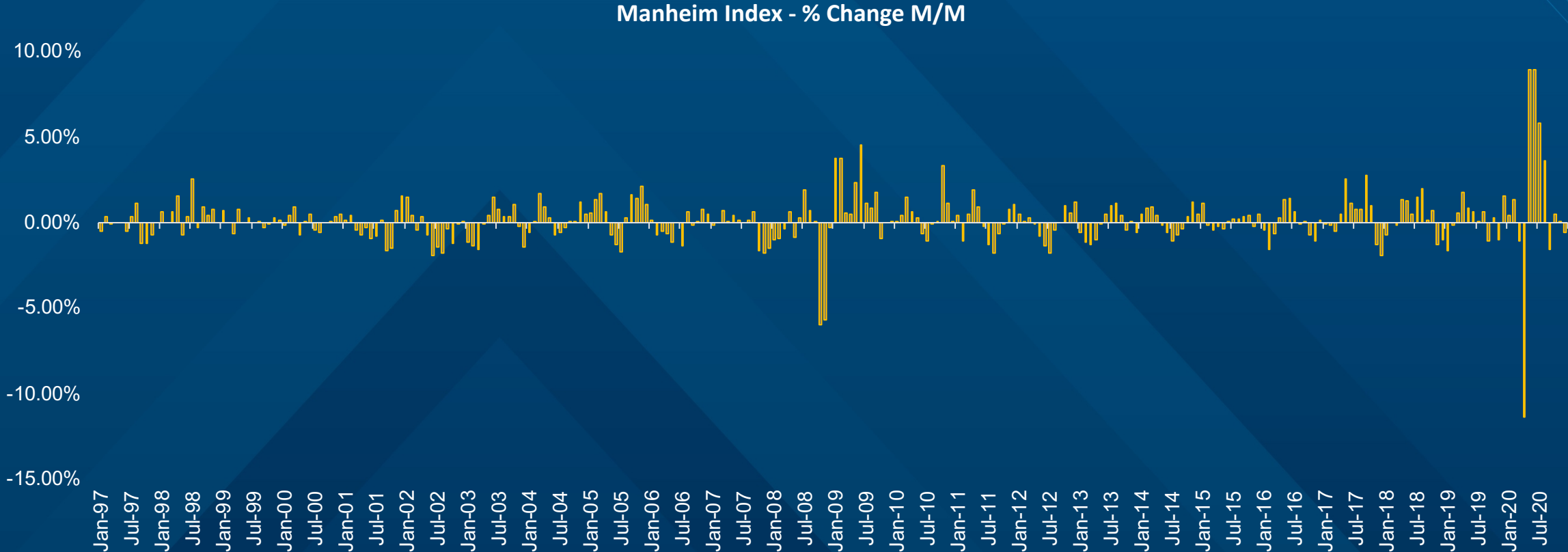


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Source: Cox Automotive

# WHOLESALE PRICES DECLINE IN DECEMBER



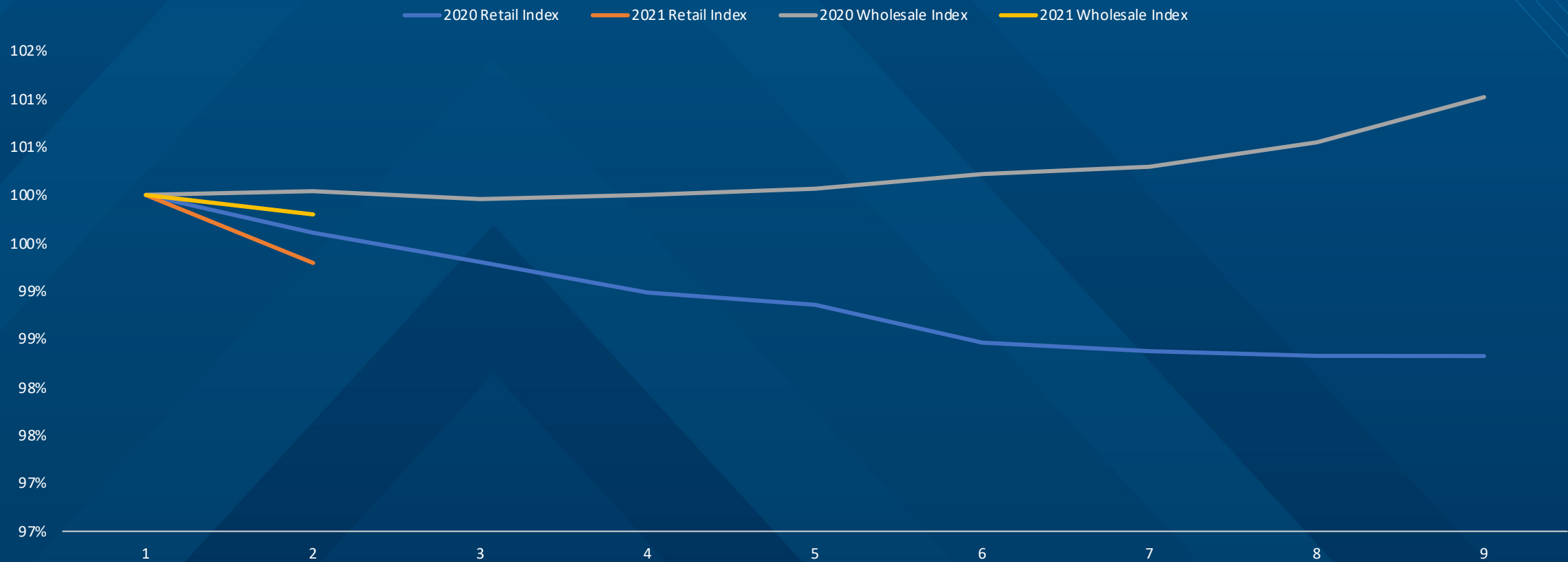
THE WAY  
FORWARD

Driven by COX AUTOMOTIVE

Source: Cox Automotive

# USED PRICES CONTINUE DECLINE SO FAR IN JANUARY

MY 2018 Retail and Wholesale Price Index



THE WAY  
FORWARD

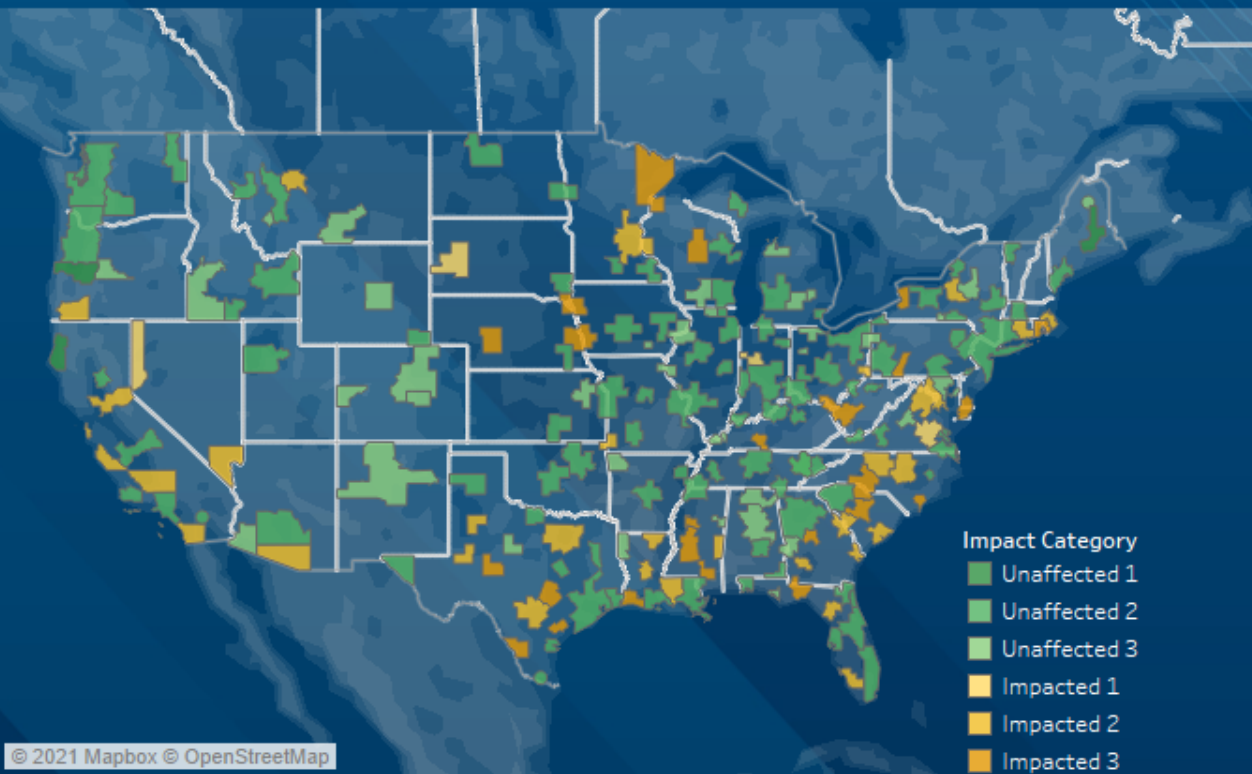
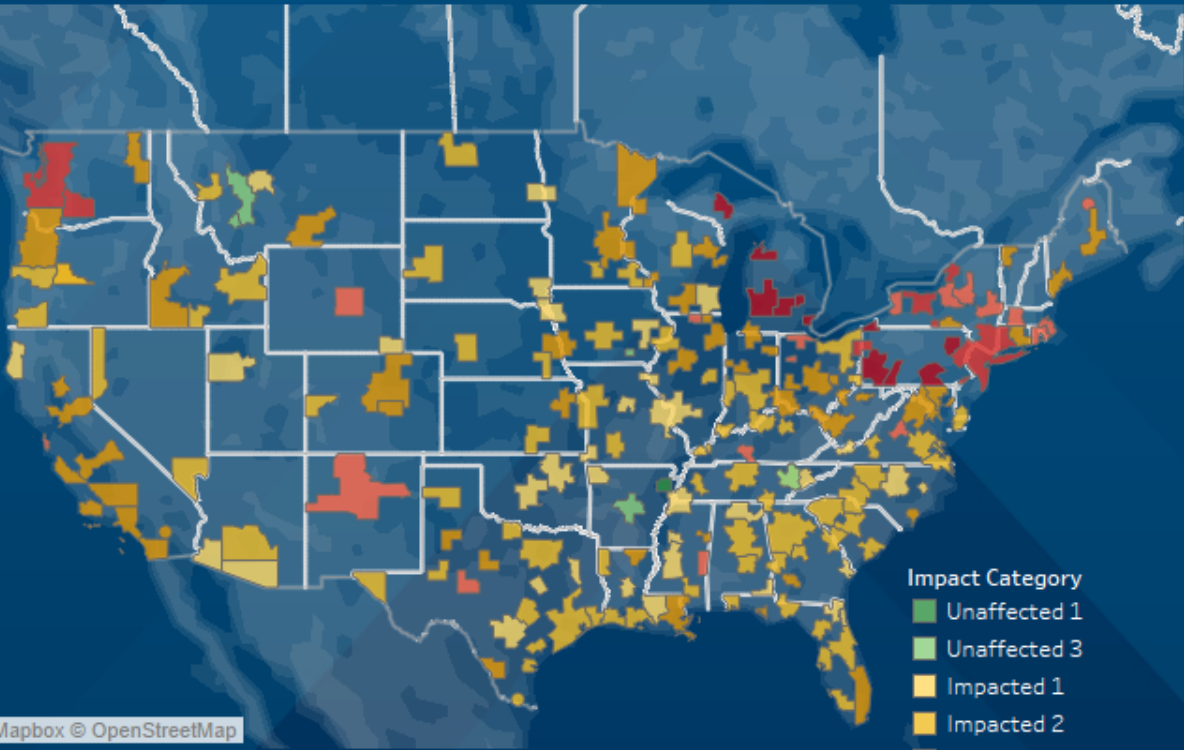
Driven by COX AUTOMOTIVE

Source: Cox Automotive

# SALES IMPACT VARIES BY DMA AS EVIDENCED BY UNIQUE CREDIT APPS

April 5<sup>th</sup>

January 10<sup>th</sup>



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Source: Cox Automotive

# COX AUTOMOTIVE LEADING INDICATORS

- Leads on **Autotrader** were up 7% y/y in January through Saturday and on **Kelley Blue Book** up 42%; leads are up for the month
- **Dealer.com** saw New and Used Vehicle Form Submissions up compared to last year last week, but both lost momentum over the weekend
- **Dealertrack** unique credit applications on same-store basis were down 9% y/y last week, which was an improvement from the prior week
- **Xtime** saw a 2% increase y/y last week in consumers having their cars serviced, which was an improving trend from the prior week



# Cox AUTOMOTIVE

Autotrader 

 CLUTCH

DEALER.COM

Dealertrack 

 F&I Express

 HOMENET  
AUTOMOTIVE

 Kelley Blue Book

 Manheim

NEXTGEAR  
CAPITAL

PIVET

 RideKleen

vAuto  
LIVE MARKET VIEW

VinSolutions

 xtime